Beth Israel Lahey Health

Annual Report to the Massachusetts Office of the Attorney General

Provided Under Paragraph 129 of the Assurance of Discontinuance

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Introduction

Overview

Under the reporting conditions of the Assurance of Discontinuance ("AOD") filed by the Massachusetts Office of the Attorney General ("AGO") on November 29, 2018, Beth Israel Lahey Health ("BILH") agreed to regularly submit certain data and information, beginning with a 60-Day Report, which was submitted on April 30, 2019, and continuing thereafter in the form of Annual Reports for a 10-year period. The first Annual Report was submitted on January 15, 2020. Due to the COVID-19 pandemic, the submission date for the second Annual Report was June 30, 2021. The third Annual Report was submitted on March 1, 2022. Across reports due to the AGO, to allow for the inclusion of data based on a full calendar year as well as audited fiscal year-based financial statements, the parties agreed that the submission date for the third and all subsequent Annual Reports is March 1 of each calendar year.

This report describes:

- BILH's targeted cost savings (and outcomes achieved) from operational synergies, improved patient care efficiencies, and shifted community-appropriate care to higher-value sites of care,
- Elimination of clinical services and creation of new clinical services, and
- Consolidation of operations.

Scope of this Report

This report represents the fifth submission of data and information, and the fourth Annual Report submitted by BILH to the AGO under paragraph 129 of the AOD reporting requirements, covering the 12-month period of October 1, 2021 to September 30, 2022 except where otherwise noted. As with prior Annual Reports, the fourth Annual Report covers the subset of data elements available to BILH at the time of submission.

BILH Targeted Cost Savings: Overview

Nearly three years after the start of the COVID-19 pandemic, health care providers nationwide are experiencing unprecedented workforce disruption amidst a resurgence in health care utilization. Coupled with rising labor costs, inflationary pressures, and ongoing supply chain issues, hospitals and health systems are wrestling with significant financial and operational challenges. BILH is no exception to these trends. Leadership across the system has been laser focused on ensuring that BILH continues to provide access to high quality care, while investing significant time and resources into staff recruitment and retention, innovative care delivery models, and potential pathways toward financial recovery. During these challenging times, BILH's integration efforts have continued to provide a significant source of savings to the system. Moreover, these efforts have begun to create a more efficient infrastructure and foundation for the system. For example, in 2022, BILH went live with Workday, its system-wide enterprise resource planning ("ERP") system, and initiated a multi-year journey toward electronic health record ("EHR") consolidation.

In FY 2022, BILH achieved $116.8 million in targeted cost savings relative to the pre-merger baseline of FY 2018. This figure not only exceeds the high end of the range for FY 2022 (Year 4), but also exceeds the high end of the range for Year 5 (FY 2023), which is $86.4 million. Moreover, across nearly all subcategories, BILH has exceeded its Year 5 (FY 2023) high-end target; the exceptions are Clinical Engineering, which is within the Year 5 range, and Revenue Cycle.

As noted in prior Annual Reports and in line with the scope of this report as outlined by the AOD, these estimates exclude the value generated from clinical service line growth and reduced outmigration of care, both of which are expected outcomes of BILH's efforts to create an accessible, well-coordinated system of care for patients and families in eastern Massachusetts.

Table 1 below summarizes the original projections of targeted cost savings by administrative or clinical area as well as savings achieved through FY 2022.

Table 1. Projected and Actual BILH Targeted Cost Savings as a Result of Operational Synergies and Patient Care Efficiencies (Fiscal Year Ending September 30)[1]

$ in Millions	FY 2022 Original Projection	FY 2022 Actual Savings[2]
Operational Synergies		
Supply Chain	21.6 - 26.4	44.7
Revenue Cycle	8.6 - 14.5	0.1
Other Operations	12.8 - 16.6	23.8
Patient Care Efficiencies		
Pharmacy	4.0 - 8.5	27.7
Laboratory	4.8 - 7.7	12.3
Clinical Engineering	1.4 - 3.1	2.2
BILH Performance Network	2.2 - 3.8	6.0
Total	**55.4 - 80.6**	**116.8**

[1] Low to high estimates

[2] Excludes savings achieved for Joslin Diabetes Center given that Joslin is not included in pre-merger baseline estimate.

Please note that all references in the report to FY 2022 savings are based on a comparison to the pre-merger baseline of FY 2018.

A. Targeted Cost Savings: Operational Synergies

Supply Chain

As in the prior year, Supply Chain was the leading driver of savings for BILH in FY 2022, generating $44.7 million in savings compared to BILH's pre-merger baseline of FY 2018. That figure greatly exceeds not only the Year 4 (FY 2022) Supply Chain target of between $21.6 million and $26.4 million, but the Year 5 (FY 2023) high-end target of $30.8 million as well.

As noted in prior reports, BILH's move in 2019 to a single Group Purchasing Organization ("GPO"), HealthTrust, has resulted in significant savings due to lower unit prices on existing supplies and services, volume-based tier pricing, and conversions to HealthTrust-contracted products and services when clinically appropriate. BILH continued to see incremental savings in FY 2022. For example, BILH participated in group purchases with other HealthTrust members, allowing it to acquire capital equipment at lower prices than if BILH had purchased on its own.

BILH continued to leverage its purchasing power by negotiating several system-wide contracts with both GPO and non-GPO vendors. For instance, in FY 2022, BILH entered into system-wide agreements for laundry services and medical/surgical supply distribution to standardize the system to one vendor for these services and generate significant savings.

Like the majority of U.S. health care institutions in FY 2022, BILH Supply Chain suffered from significant backorders and supply chain disruptions from its vendors. By working as a system and leveraging purchasing power and vendor relationships, the Supply Chain team was able to successfully mitigate industry-wide shortages in contrast media, syringes, and other key supply categories without significant reduction in services to clinical programs. BILH Supply Chain partnered with clinical and local administrative teams to monitor stocking levels, consolidate orders, and redistribute products as needed to ensure patient care was not impacted. BILH Supply Chain instituted daily system-wide backorder calls and designed a tracking tool with Cardinal to better track and recognize potential backorders. The BILH Supply Chain team also continued to formalize and completely re-organize its pandemic warehouse while solidifying a formal process for Cardinal to hold, deliver, and track personal protective equipment products on BILH's behalf.

Revenue Cycle

In late FY 2022, BILH Revenue Cycle established an Enterprise Revenue Cycle Management ("RCM") team to lead the organization's efforts in containing costs, increasing revenue, and improving the patient experience. The BILH RCM team provided governance across revenue cycle functional areas including patient access, revenue integrity, health information management, coding, clinical documentation integrity, and patient financial services. The new enterprise structure has aligned key RCM stakeholders to promote transformational goals including standardized best practices, expansion of shared services, and optimization of vendor services.

As noted in prior reports, BILH currently maintains several disparate revenue cycle systems. Integration plans are underway to deploy an enterprise data warehouse that will provide consolidated revenue cycle reporting across all BILH entities. The new tool will provide greater visibility of key revenue cycle performance indicators and help drive cash acceleration and revenue improvements. The new enterprise structure and tool will help prepare and support our stakeholders as they participate in EHR implementation efforts, facilitating continued integration across revenue cycle functions and BILH entities.

Other Operations

Across Human Resources ("HR"), Finance Operations, Real Estate and Facilities, and Information Technology ("IT"), BILH has generated savings of $23.8 million compared to its original Year 4 projection of between $12.8 million and $16.6 million, and surpassing the high-end Year 5 target of $16.9 million.

Human Resources

BILH HR has generated $16.1 million in savings for the system since the BILH merger. As noted in prior reports, these synergies have been driven by efforts to harmonize BILH's benefits platform. In FY 2022, BILH continued on its five-year journey to align employee premiums across its employer organizations and to streamline select features of employee retirement plans. It also prepared to transition the newest member of BILH, the Joslin Diabetes Center ("Joslin"), to its benefits platform in January 2023.

The BILH HR team also focused on developing standard policies across the system's organizations, rolling out 16 such polices in FY 2022, including those focused on reasonable accommodation and fairness, equal opportunity, discrimination and harassment, patient discrimination, and personnel records.

Given the current staffing challenges faced by hospitals across the country, much of the focus in FY 2022 (and continuing into FY 2023) was on system-wide efforts to retain and recruit talent. For example, BILH launched a system-level net hiring tracking tool with key performance indicators in this area, with a focus on positions deemed critical to clinical operations. Given the criticality of this effort, these data points and related trends are routinely shared and discussed with our hospital and clinical unit presidents and senior leadership teams. These trends are informing the development of programs and processes that enable BILH to onboard new hires and acclimate them into the organization more quickly and efficiently.

Finance Operations

Since the merger, BILH has achieved $2.0 million in finance operations savings.

Throughout FY 2022, BILH continued on the journey of consolidation within financial operations. All back-office finance functions have been integrated within BILH Finance under a streamlined leadership structure. As noted earlier, the Workday platform was implemented in October 2022, which allows BILH to continue to standardize processes and increase efficiency. Once fully implemented, the system anticipates saving $1.5 million annually in operating costs due to efficiencies gained. Workday will house all accounting, accounts payable, payroll, and supply chain functions.

BILH is in the process of implementing two tools from Syntellis, the Axiom Enterprise Decision Support tool and the Budgeting and Forecasting tool, both of which will go live in 2023. The former will provide a unified cost accounting system allowing BILH to perform more in-depth analysis of revenues and costs. The latter tool will provide a unified system for the FY 2024 budgeting process and enable department-level budgeting across the system.

Real Estate & Facilities

Across its Real Estate and Facilities-related efforts, BILH has saved $3.2 million since 2018.

In FY 2022, BILH Real Estate continued its optimization planning efforts. The most notable achievement of FY 2022 was the creation of the BILH System Center, a single office location for system administrative staff. The BILH Real Estate team partnered with the Office of Integration Management, HR, IT, Office of General Counsel, and other stakeholders to select a location, negotiate a lease for, and coordinate moves to this central office. Based in Charlestown, the BILH System Center will drive collaboration across and within system teams and facilitate the consolidation of BILH's administrative space footprint, which will yield material savings over time.

Throughout FY 2022, BILH continued to make progress towards facilities integration and facilities-related cost savings. As detailed in the prior Annual Report, BILH has partnered with Veolia, an energy purchasing broker, on a natural gas procurement strategy. In FY 2022, facilities personnel awarded a system-wide natural gas contract to ENGIE through Veolia and purchased volumes of gas through September 2023 at favorable prices. BILH and Veolia have also worked together to upload building energy use data into the Energy Star Portfolio Manager, which will be used to report emission reductions, per local requirements. In FY 2022, BILH continued to receive financial incentives for small-scale energy and electricity-related projects as a result of its memoranda of understanding with Eversource and National Grid.

Finally, BILH issued a Request for Proposal for elevator service and repairs and anticipates awarding and executing the single-vendor contract in early FY 2023. Looking ahead, BILH expects to make further system-wide electricity purchases and to select a food waste diversion vendor to ensure compliance with the Massachusetts Department of Environmental Protection waste ban.

Information Technology

Since the merger, BILH has achieved $2.5 million in IT operations savings.

In FY 2022, BILH IT continued its efforts to consolidate local entity IT departments into one streamlined system service with a long-term goal to enhance efficiency, reduce redundancy, and improve performance and productivity. BILH IT established ten IT service lines with appointed service line leaders and transitioned a majority of IT staff to their permanent roles in order to support efforts including Workday implementation and contract optimization.

As noted in the prior Annual Report, the Workday platform will facilitate system-wide views and management of HR, Finance, Supply Chain, and IT-related data and work processes. As noted earlier, the system went live in October 2022. BILH IT continued its extensive testing of the Workday product

including completing end-to-end, parallel payroll, performance, and open enrollment testing throughout the year, and developed go-live readiness, cutover plans, and contingencies for any major outages to support go-live.

Throughout FY 2022, BILH's IT team continued to inventory its service contracts across the system to facilitate contract optimization and consolidation where appropriate, including an effort to consolidate multiple cyber security systems into single, centrally-controlled applications. Additionally, the IT team generated operational savings by continuing to implement a hybrid model for data center consolidation, which includes a BILH-owned data center and a cloud services data center.

Notably, in FY 2022 the system began work on a major, multi-year EHR consolidation plan. Over the next several years, BILH will move its entities to a single instance of an Epic-based EHR, which will allow our patients to have a single record and a single portal; provide our clinicians a single uniform system to better coordinate care; and enhance our education and research mission.

B. Targeted Cost Savings: Patient Care Efficiencies

With a continued focus on integrating operations and leveraging system-wide scale, depth, and purchasing power, BILH has driven material savings for the system across the patient care service areas of Pharmacy, Laboratory, and the Beth Israel Lahey Health Performance Network ("BILHPN").

Pharmacy

BILH Pharmacy has saved the system $27.7 million compared to its pre-merger baseline of FY 2018, making it the second leading driver of synergies for the system. The system significantly exceeded its Year 4 (FY 2022) / Year 5 (FY 2023) target of between $4.0 million and $8.5 million in Pharmacy-related savings.[3]

BILH Pharmacy continued to expand various programs and execute on prior year initiatives. For example, having created the capacity to serve all BILH patients, BILH Pharmacy is actively pursuing payer agreements to include the system's specialty pharmacy in payer networks. It is also working to standardize and expand patient co-pay financial assistance programs throughout BILH.

In February 2022, BILH opened an onsite pharmacy at Bowdoin Street Health Center in Dorchester. This new pharmacy has expanded access to convenient medications for the health center's approximately 11,000 patients. Integration of the pharmacy and clinical care teams has facilitated optimal medication management and adherence through the distribution of prescriptions and instructions in a patient's preferred language and having pharmacists available onsite to address patient questions. The pharmacy also provides enhanced services, such as blister packs mailed to patients to more easily manage complex drug regimens, and partners with patients to expand enrollment in and eligibility for patient co-pay assistance programs.

[3] The Year 5 target for Pharmacy savings is the same as Year 4.

Laboratory

BILH Laboratory Services has generated more than $12.3 million in savings since 2018. This exceeds the Year 4 / Year 5 high-end target of $7.7 million.[4]

BILH has been able to address workforce challenges in laboratory services by continuing to consolidate certain laboratory testing to specific locations while at the same time investing in the professional development of its current workforce through the BILH Laboratory Academy. The Academy provides didactic and clinical training to individuals entering a career in phlebotomy (specimen collection) and supports existing clinical laboratory scientists in the development of new skills and advancement of their careers in specialties of their choosing. The clinical training available through the system's hospital laboratories supports sourcing of students from multiple schools in Massachusetts. These trainees often become employees of BILH.

Additionally, in FY 2022, BILH started to optimize the transportation routes of laboratory specimens from patient to testing laboratory, ensuring high standards for turnaround times and maximum efficiency. This predictable transport system is foundational to the system's ability to consolidate testing, expand access to in-network laboratory services, and support the provision of high quality care and the clinician and patient experience.

Clinical Engineering

Since the merger, BILH has achieved $2.2 million in Clinical Engineering savings, bringing it within the range of its Year 4 (FY 2022) / Year 5 (FY 2023) target of $1.4 million to $3.1 million.[5]

In FY 2022, the Clinical Engineering team continued the rollout of a single maintenance services vendor for diagnostic imaging equipment. There are currently 385 devices that are covered under BILH's selected partner, Crothall. This has enhanced service quality and reduced contract costs. The Clinical Engineering team continues to evaluate expiring service contracts to include in the program, when appropriate.

Beth Israel Lahey Health Performance Network

BILHPN has generated savings of $6.0 million since 2018, exceeding the original projection of between $2.2 million and $3.8 million.[6] These savings have been driven primarily through the integration of its operating platform, as described in prior reports.

In FY 2022, BILHPN continued to optimize its enterprise-wide population health data warehouse, Arcadia, to identify patients with care gaps. Through collaboration with BILH physician leaders, BILHPN modified practice workflows and created outreach programs to close identified gaps. These efforts resulted in BILH reaching more patients and eliminating redundancy between BILHPN's centralized clinical excellence program and population health efforts of local practices.

While building this collective capability, BILHPN invested in Arcadia to deliver more self-service tools to the physician organizations in order to foster meaningful and seamless patient engagement. Examples

[4] The Year 5 target for Laboratory savings is the same as Year 4.
[5] The Year 5 target for Clinical Engineering savings is the same as Year 5.
[6] The Year 5 target for BILHPN savings is the same as Years 3 and 4.

include combined quality and patient risk registries, behavioral health patient registries, ambulatory safety net program registries, and health equity data sets. Arcadia was also enhanced to connect quality and health outcome improvements to payer contracts to develop a collective understanding of the synergies associated with delivering optimal care and delivering financial value.

During FY 2022, the BILH Performance Network and the BILH Office for Diversity, Equity and Inclusion co-led efforts to increase access and improve outcomes for underserved populations, with a focus on closing disparities in diabetes care for Black and Hispanic patients. One area of collaboration centered around a $1.8 million grant from the Institute of Healthcare Improvement / Blue Cross Blue Shield of Massachusetts that allowed the system to hire and embed patient navigators within our most diverse practices to assist patients along the continuum of care.

C. Targeted Cost Savings: Shifting Care to Higher Value Settings

Throughout FY 2022, BILH continued its efforts to drive material savings for the Commonwealth by increasing the volume of care provided at BILH versus higher-priced providers and, within BILH, increasing the volume of clinically-appropriate care provided in its lower-cost settings.

Virtual Transfer Center

The transfer center teams at Beth Israel Deaconess Medical Center ("BIDMC"), Lahey Hospital & Medical Center ("LHMC"), and Mount Auburn Hospital ("MAH") continued to collaborate to maximize bed capacity across all BILH hospitals via the system's Virtual Transfer Center ("VTC"). As noted in earlier reports, through the VTC, patients who cannot be accepted by the requested hospital due to capacity constraints are actively redirected to other available beds across BILH. In FY 2022, the VTC saw an increase in transfer requests, particularly ICU transfer requests, but due to current capacity constraints – such as bed closures, staffing limitations, and an increase in length of stay – not all transfer requests were accepted. To free up tertiary-level capacity, new workflows were further streamlined to enable repatriation of patients back to their community hospital after the needs of care were met at the tertiary facility.

In FY 2022, the VTC collectively received over 16,000 patient transfer requests and accepted approximately 69% of requests. As a result of the team's collaborative efforts in leveraging community hospitals, over 450 redirected and direct transfers were sent to Winchester Hospital and MAH. Overall, out of the patients redirected from LHMC or BIDMC, approximately 94% of these patients were able to stay within the BILH system.

BILHPN Centralized Referral Management

BILHPN's centralized referral management program had continued success in FY 2022. Patients seeking out-of-network specialty care were instead offered in-network timely options, when clinically appropriate. The program retained nearly 1,000 patient visits within BILH during FY 2022, the majority of which were redirected from high-cost, out-of-network care options.

BILHPN continues to work with BILH specialty clinics and key contacts who can assist with obtaining clinically appropriate and timely care. Program performance is monitored on a weekly and monthly basis.

BILHPN and BILHPN risk units work together to identify outmigration trends and potential barriers that are limiting performance.

BILHPN Transitions of Care

BILH continues to focus on reducing readmissions as a system-wide, strategic quality goal. BILHPN has complemented the work of BILH hospitals to reduce readmissions by engaging primary care practices to improve rates of hospital follow-up phone calls and visits. BILHPN also works with hospital case management leadership to encourage clinically appropriate leveling of care after discharge as patients who are medically stable to return home after an acute care stay will likely have better outcomes and lower cost of care. Additionally, BILHPN works with its preferred skilled nursing facility network to reduce length of stay and readmissions. BILHPN's ambulatory care management team engages patients who are in transition to improve their care, reduce readmissions, and decrease emergency room utilization.

Performance Measurement

BILH has measured its performance at reducing the outmigration of care to high-cost providers using two analytic frameworks.

First, for its patients under risk-contract arrangements, BILH measured the percentage of non-emergent inpatient admissions that went to non-BILHPN providers and categorized those providers by their relative cost. As the data in Table 2 illustrate, BILHPN's performance with regard to reducing outmigration of care was mixed. While outmigration among the Medicare population decreased, the outmigration rate for Medicaid ("MassHealth"), commercial Health Maintenance Organization ("HMO") and Preferred Provider Organization ("PPO") populations increased.

MassHealth's outmigration rate increase was coupled with a continued increase in the number of MassHealth members. The increased outmigration is attributed to new patients entering into BILHPN's MassHealth ACO who had prior relationships with other health systems. The total number of admissions declined over the prior year for the MassHealth population; however, the care that took place outside of the BILHPN network – particularly at Mass General Brigham and South Shore Hospital – resulted in a higher percentage of patients utilizing high-cost providers than in the prior year. Notably, while the outmigration rate increased among MassHealth patients, the overall outmigration rate for this patient population is relatively low and particularly low in the context of high-cost providers.

While the outmigration rate for commercial HMO and PPO populations increased in total, the outmigration rate to high-cost providers decreased and shifted to the medium-cost providers.

Table 2. Outmigration Rates for Non-Emergent Inpatient Admissions among BILHPN Patients in Risk Contract Arrangements, FY 2021 - FY 2022[7]

		Outmigration RATES (Based on Utilization/1,000)		
Payer	**Minimum and Maximum % of Total Member Population (October 2020-September 2021)**	**FY 2021**	**FY 2022**	**% Change (FY 2021 - FY 2022)**
HMO	**40.5% - 42.5%**	**25.2%**	**26.3%**	**1.1%**
High Cost		17.2%	15.3%	-1.9%
Medium Cost		5.3%	8.4%	3.1%
Low Cost		0.5%	0.7%	0.2%
No DEF		2.1%	1.8%	-0.3%
PPO	**21% - 21.5%**	**34.3%**	**35.3%**	**1.0%**
High Cost		26.4%	24.5%	-1.9%
Medium Cost		6.9%	9.9%	3.1%
Low Cost		0.8%	0.9%	0.1%
No DEF		0.3%	0.0%	-0.3%
MassHealth	**11.8% - 13.1%**	**16.8%**	**22.5%**	**5.7%**
High Cost		4.2%	6.5%	2.3%
Medium Cost		9.3%	9.0%	-0.3%
Low Cost		2.8%	6.9%	4.1%
No DEF		0.4%	0.1%	-0.3%
Medicare	**24.7% - 24.9%**	**21.7%**	**20.6%**	**-1.1%**
High Cost		12.0%	11.9%	-0.1%
Medium Cost		5.7%	5.6%	-0.1%
Low Cost		0.5%	0.7%	0.1%
No DEF		3.4%	2.5%	-0.9%

Second, BILH measured its success at strengthening the capabilities and market position of its community providers by tracking the case mix index ("CMI") and inpatient volume trends at each BILH community hospital. As the data in Table 3 show, CMI increased 6% across BILH's community hospitals between FY 2018 and FY 2022, reflecting significant growth in the ability of these institutions to provide complex care. Inpatient volume declined between FY 2018 and FY 2022 due to the impact of COVID-19 on clinical volumes.

[7] This analysis is based on BILHPN claims data. Outmigration rates are based on utilization, not dollars. Excludes risk lives under Cigna, Unicare, and BCBS Lahey Clinical Performance Network and BCBS Mount Auburn Cambridge Independent Practice Association Medicare Advantage contracts as BILHPN does not receive complete data for these contracts from the third-party payors. Outmigration analysis also excludes behavioral health, heart and lung transplant admissions, pediatrics, inpatient emergent admissions, and outpatient surgeries that took place as part of the professional visit. Categorization of hospitals as high/medium/low cost is based on the 2022 CHIA relative price ("RP") factor report, which is based on 2020 data; this report is the most recent version available at this time. BILH re-calculated the average RP factor for each hospital using the RP inpatient factors for the three major payors (BCBSMA, HPHC, and Tufts HP). BILH classified as high cost those hospitals in the top 25th percentile of average relative inpatient price; medium-cost as the 25th – 75th percentile; and low-cost as the bottom quartile. The non-defined category includes non-Massachusetts-based hospitals.

Table 3. Inpatient Volume and CMI for BILH Hospitals, FY 2018 – FY 2022

		Inpatient Discarges						Inpatient CMI					
BILH Hospital	**Hospital Type**	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**% Change FY 2018 to FY 2022**	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**% Change FY 2018 to FY 2022**
BIDMC	AMC	40,705	40,752	36,402	37,606	35,536	-13%	1.74	1.75	1.81	1.88	2.00	15%
LHMC	AMC	23,997	23,936	21,448	21,448	20,747	-14%	1.87	1.91	1.98	2.04	2.08	12%
Anna Jaques	Community	7,361	7,109	6,147	6,030	5,899	-20%	1.03	1.17	1.20	1.25	1.31	28%
BID-Milton	Community	5,787	6,135	5,741	5,843	5,340	-8%	1.47	1.45	1.51	1.51	1.53	4%
BID-Needham	Community	2,832	2,855	3,019	3,742	4,013	42%	1.37	1.34	1.36	1.35	1.35	-1%
BID-Plymouth	Community	11,751	12,371	11,797	11,724	11,576	-1%	1.38	1.40	1.40	1.44	1.51	9%
Beverly & Addison Gilbert	Community	21,358	21,087	19,181	18,873	18,685	-13%	1.25	1.26	1.27	1.27	1.30	4%
Mount Auburn	Community/ Tertiary	14,574	13,514	12,337	12,741	12,378	-15%	1.11	1.08	1.06	1.12	1.16	5%
Winchester	Community	13,098	14,215	13,960	14,814	14,917	14%	1.19	1.17	1.16	1.18	1.19	1%
NEBH	Specialty	8,574	8,175	6,931	6,154	3,691	-57%	2.38	2.34	2.33	2.35	2.75	16%
TOTAL BILH Hospitals		**150,037**	**150,149**	**136,963**	**138,975**	**132,782**	**-12%**	**1.54**	**1.55**	**1.57**	**1.60**	**1.66**	**8%**
BILH AMCs		**64,702**	**64,688**	**57,850**	**59,054**	**56,283**	**-13%**	**1.79**	**1.81**	**1.87**	**1.94**	**2.03**	**14%**
BILH Community Hospitals		**76,761**	**77,286**	**72,182**	**73,767**	**72,808**	**-5%**	**1.23**	**1.24**	**1.25**	**1.28**	**1.31**	**6%**

As noted in its previous reports, BILH also will measure its success in enhancing community-based care through the system's ongoing commitments to community health center affiliates and safety net affiliates, as outlined in Paragraphs 98 to 112 of the AOD and as detailed in annual third-party monitor reports.

D. Elimination or Creation of Clinical Services

In FY 2022, BILH added the following clinical services:

- BILH Behavioral Services contracted with the Haverhill Police Department to provide Jail Diversion Program services, starting in October 2021.

In FY 2022, BILH discontinued the following clinical services:

- Anna Jaques Hospital did not renew its license with the Massachusetts Department of Mental Health for electroconvulsive therapy ("ECT"), as the hospital had not performed an ECT in several years.

- Due to staffing challenges, Addison Gilbert Hospital ("AGH") stopped operating ICU services in FY 2022. Addison Gilbert is part of the multi-campus Northeast Hospital Corporation ("Northeast"); its main campus of Beverly Hospital continues to provide ICU services. AGH patients are able to access ICU services through intercampus transport to Beverly.

- Due to recent guidance from the Department of Public Health, AGH removed five pediatric beds from its license that had been out of service for more than 16 years. This represents an administrative change, rather than a recent elimination or diminution in service. Moreover, Northeast is a multi-campus hospital and its main campus at Beverly Hospital continues to

provide pediatric inpatient services. AGH patients are able to access these services through intercampus transport to Beverly.

- Northeast operated an Outpatient Partial Hospital Program at AGH that treated patients with co-occurring disorders, namely patients with both mental illness and substance use disorder. Due to this dual purpose, the AGH program required a certificate of approval ("COA") from the Bureau of Substance Addiction Services ("BSAS"). In 2022, Northeast returned the COA because it was not able to operate the program due to insufficient staffing. Northeast has contended with the same behavioral health workforce challenges faced by providers across the country, a challenge made particularly severe due to the geographic isolation of Cape Ann. It made the deliberate decision against redeploying staff out of a desire to maintain access to its inpatient psychiatric beds. Should staffing stabilize, Northeast will explore re-opening the program at AGH and obtaining a COA from BSAS.

E. Other Consolidations of Services

After the initial appointment of its inaugural Chief Diversity, Equity and Inclusion ("DEI") Officer, FY 2022 efforts focused on expanding BILH's DEI infrastructure. In FY 2022, BILH established a health equity leadership dyad, comprised of a vice president and a medical director to co-lead operational and clinical aspects of BILH's health equity plan. The BILH DEI Office aims to expand capabilities across the system to: (1) establish a workforce that mirrors the increasing diversity in the communities that BILH serves, with a focus on representation in leadership and care delivery roles, (2) eradicate disparities in health outcomes within BILH's diverse population of patients, and (3) expand investments in underrepresented communities to close socio-economic disparities that impact population health.

BILH has continued to advance efforts around research and education integration. In collaboration with the BILH Academic Council, the BILH Chief Academic Officer developed the education and research vision and initiatives that are part of the system's strategic plan. The priorities for late FY 2022 through FY 2023 include the potential consolidation of human research protection programs and the elevation of a local Technology Ventures Office into a system-wide service.

In September 2022, BILH and BIDMC appointed a dual Director of the BIDMC Cancer Center and Senior Vice President of Cancer Services at BILH. This dual role will be responsible for setting the vision and strategic direction for cancer care, research, and education for the BIDMC Cancer Center and the BILH network and expanding capacity for cancer research while advancing collaboration and integration to develop destination clinical programs in cancer that are nationally recognized for excellence and innovation.

In November 2021, Joslin officially joined the BILH system. BILH has and will continue to leverage Joslin's expertise in diabetes research and care across BILH's spectrum of primary care, preventive care, acute care, and population health management.